

# MINNESOTA • REVENUE

## PROPERTY TAX Metropolitan Council Transit Bonds

April 3, 2006

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue  
Analysis of S.F. 3320 (Pogemiller), 1<sup>st</sup> Engrossment

	<u>Fund Impact</u>			
	<u>F.Y. 2006</u>	<u>F.Y. 2007</u>	<u>F.Y. 2008</u>	<u>F.Y. 2009</u>
General Fund	\$0	\$0	\$0	(\$50)

(000's)

Effective the day following final enactment.

### EXPLANATION OF THE BILL

The proposal authorizes the Metropolitan Council to issue up to an additional \$32.8 million in certificates of indebtedness, bonds, or other obligations for capital expenditures prescribed in the council's regional transit master plan and transit capital improvement program. The authority is limited to the seven metropolitan counties.

### REVENUE ANALYSIS DETAIL

- Bond principal and interest would be paid by increasing property tax levies.
- It is assumed that \$20.2 million of bonds would be issued in 2008 and \$12.6 million in 2009.
- Additional debt service levies would increase homeowner taxes. Property tax refunds would increase by an estimated \$50,000 in FY 2009.

**Number of Taxpayers Affected:** All taxpayers in the seven metropolitan counties.

Source: Minnesota Department of Revenue  
Tax Research Division  
[http://www.taxes.state.mn.us/taxes/legal\\_policy](http://www.taxes.state.mn.us/taxes/legal_policy)

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